

CONNECTICUT GENERAL ASSEMBLY ENERGY & TECHNOLOGY COMMITTEE

H.B. 6592 - AN ACT CONCERNING THE OPERATIONS OF THE DEPARTMENT OF PUBLIC UTILITY CONTROL

PUBLIC HEARINGS - MARCH 15, 2011

STATEMENT OF JAY L. KOOPER ON BEHALF OF HESS CORPORATION

Good afternoon. My name is Jay Kooper and I am the Director of Regulatory

Affairs for the Hess Corporation ("Hess"). Hess, a Fortune 100 company and global
energy company with over \$29 billion in worldwide assets, is a licensed retail supplier of
electricity to commercial and industrial ("C&I") customers in Connecticut. These
customers include hospitals, schools and universities, factories, supermarkets and
superstores and a wide range of C&I businesses, all of whom like Hess invest substantial
capital and resources in Connecticut. Hess' New England regional office for its electric
marketing operations is headquartered in Rocky Hill, Connecticut and is fully staffed by
Connecticut residents.

Hess submits this statement today to **support, with amendments**, **H.B. 6592**. Specifically, sections 15 and 16 of the bill generally address two important facets of the provision of customer choice – customer billing, metering and collection services and customer marketing.¹

¹ Hess is aware that S.B. 1, also being heard today by the Energy & Technology Committee, contains similar provisions designed to address the subject matter contained in sections 15 and 16 of H.B. 6592. In that respect, Hess' comments contained herein should be interpreted as equally applicable to those provisions in S.B. 1 sections 52 and 54 that cover the same subject matter.

First, with respect to section 15 (customer billing, metering and collection services), it is important to note that customer billing is a critical function of customer choice. Indeed, Hess currently direct bills many of its C&I customer base. Hess, however, also recognizes that some customers may want, and do express a preference for, receiving a single bill rather than two separate bills for their electric supply and electric delivery service. While section 15 does acknowledge the need to facilitate this choice for customers who choose to receive a bill directly from their electric supplier, more detail is required to ensure that the convenience of customers receiving a single bill is a choice that is equally preserved. Thus, Hess recommends that the following principles be added to section 15 to preserve customer convenience and customer choice: (1) the ability of competitive suppliers to bill their services through the utilities is maintained (and this is a convenient option since all ratepayers, including shopping customers pay for utility billing); (2) any allocation of additional costs of utility billing services to competitive suppliers does not force shopping customers to pay for these costs twice (once as a utility ratepayer and once more as a shopping customer).

Second, with respect to section 16, H.B. 6592 correctly limits application of the 3-day customer rescission period to residential customers only as that limitation will lower costs for C&I customers by removing risk from competitive supplier electric procurement strategies when purchasing the electric commodity for the C&I customers. Likewise, section 16 appropriately limits the application of door-to-door marketing practices to residential customer solicitations and should clarify that scheduled appointments at the premises of non-residential customers do not constitute a door-to-door sales practice subject to limited visitation hours between 10:00 and 6:00 p.m.

Finally, with respect to section 16's references to the activities of third-party agents, the bill should be amended to clarify the difference between: (1) an agent who acts exclusively on behalf of competitive electric supplier and; (2) a broker who may have a contractual relationship with and receive compensation from competitive electric suppliers, but does not act as an agent for any particular competitive electric supplier.

For these reasons, Hess is supportive of the goals of H.B. 6592 with the amendments outlined above.